

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Regular Session

April 2, 2001  
8:00 p.m.

Council Chambers  
Bellevue, Washington

PRESENT: Mayor Mosher, Deputy Mayor Marshall, Councilmembers Creighton, Davidson, Degginger, and Lee

ABSENT: Councilmember Noble

1. Call to Order

The meeting was called to order at 8:03 p.m. by Mayor Mosher, who presided.

2. Roll Call, Flag Salute

Upon roll call by the City Clerk, all Councilmembers except Mr. Noble were present. Mr. Lee led the flag salute.

(a) Proclamation of April 9-15 as International Building Safety Week

Mike Brennan, Building Official, spoke to Building Safety Week and credited the City's building codes for the minimal damage experienced in the community by the February 28 earthquake. Mr. Brennan described the City's involvement with Project Impact, a national program that encourages seismic upgrades to existing homes.

Mayor Mosher read a proclamation declaring the week of April 9 as International Building Safety Week in Bellevue. The proclamation notes that April is National Earthquake Preparedness Month.

3. Communications: Written and Oral

- (a) Diane Tebelius, President of the West Lake Sammamish Association, presented a petition from residents of the area requesting improvements to address traffic, environmental, and safety concerns related to West Lake Sammamish Parkway. She looks forward to working with Council and staff on these issues.
- (b) Kathy Carovano, a resident of the West Lake Sammamish area, described residents' interest in preserving the parkway as a scenic road and protecting the lake. She thanked the Police Department for the heightened police presence in this newly annexed area.

Ms. Carovano thanked Transportation Department staff for attending residents' meetings to discuss plans for West Lake Sammamish Parkway. She would like to see signs reminding motorists of the speed limit on this road. Residents of the area would like the City to consider the following actions: 1) complete the resurfacing of West Lake Sammamish Parkway, 2) establish a new road classification called neighborhood arterial, 3) identify and implement, with community involvement, measures to mitigate traffic congestion, speeding, and unsafe driving practices, 4) low-cost improvements such as neighborhood entrance signs, 5) reinstate and enforce policy restricting truck traffic, and 6) establish a program to measure the effectiveness of these control measures.

- (c) Marty Nizlek, a representative of the West Lake Sammamish Association, discussed concerns with traffic on West Lake Sammamish Parkway. He previously served as traffic engineer for the City of Portland and was succeeded by Goran Sparrman, now Bellevue's Transportation Director, who developed Portland's neighborhood traffic management program into a nationally recognized model. He asked the city to consider the unique characteristics of West Lake Sammamish Parkway. Although the road is classified as an arterial, Mr. Nizlek noted that it was built in the 1940s, is narrow in some areas, and has driveways backing out directly onto the road.
- (d) Stacy Graven, a representative of the Bellevue Convention Center Authority (BCCA), requested Council's support of Ordinance No. 5291 [Agenda Item 11(a)].
- (e) Alexandra Goodman, a representative of Crossroads Youth Theatre, thanked Council for its support of the program and invited everyone to the upcoming production of *Jungle Book*.
- (f) Stephen Elliott, Theatre Manager for Meydenbauer Center, described the growth in cultural arts activities in Bellevue. He said the proposed Ashwood Cultural Arts Center would result in residence, retail, and cultural opportunities within the same block. He described the increasing demand for performance and rehearsal space. He feels the Ashwood proposal would provide a significant component of the community's cultural identity.
- (g) Vincent Brady, a representative of a new Eastside theatre company called Exchange Theatre, requested Council's support of the Ashwood Cultural Arts Center project.
- (h) Lorraine Vagner, a representative of Encore Playhouse, described the need for a performing and cultural arts center in this community.

4. Reports of Community Councils, Boards and Commissions: None.

5. Report of the City Manager

City Manager Steve Sarkozy asked Council to pull Agenda Item 8(i) regarding amendment of the City's interlocal agreement with the City of Redmond on BROTS (Bellevue Redmond Overlake Transportation Study) projects. He said the copy of the amended agreement in the Council packet is not the version recently approved by Redmond City Council.

6. Council Business

At Mayor Mosher's request, Councilmembers agreed to defer this item due to the large audience for the public hearing.

7. Approval of the Agenda

➡ Mr. Degginger moved to approve the agenda, and Mrs. Marshall seconded the motion.

➡ The motion to approve the agenda carried by a vote of 6-0.

8. Consent Calendar

Mayor Mosher noted that item (i) to amend an interlocal agreement with the City of Redmond will be excluded from Council action at this time.

➡ Mr. Creighton moved to approve the Consent Calendar, as amended, and Mr. Lee seconded the motion.

➡ The motion to approve the amended Consent Calendar carried by a vote of 6-0, and the following items were approved:

- (a) Minutes of March 19, 2001 Study Session  
Minutes of March 19, 2001 Regular Session
- (b) Motion to approve payment of claims for the period ending March 23, 2001, and payroll for the period March 1 through March 15, 2001.
- (c) Resolution No. 6525 authorizing payment for final settlement of a claim filed against the City for property damage to the Keyser residence located at 10012 NE 13<sup>th</sup> Street, caused by a broken City water main.
- (d) Motion to award Bid No. 0103 for a Neighborhood Enhancement Project in the Bridle Trails area to install planter islands along NE 24<sup>th</sup> Street, east of 120<sup>th</sup> Avenue NE, in the amount of \$37,020.50 to Turf Concepts, Inc. as low bidder. (CIP Project No. NEP-1)
- (e) Motion to award Bid No. 0101 for construction of the 2001 Street Overlay Program focusing on the Newport Hills, College Hill, Woodridge NE, and SE Bellevue neighborhoods in the amount of \$3,451,279.35 to Watson Asphalt Paving Company Inc. as low bidder. (CIP Project Nos. PW-W/B-56, PW-R-108, PW-NEP-1, P-AD-60)
- (f) Motion to award Bid No. 0118 for the construction of roadway improvements to the Bellevue Transportation Center as part of the Access Downtown project in the amount of \$1,689,811 to Westwater Construction Company as low responsive, responsible bidder. (CIP Project Nos. PW-I-46, PW-R-142, PW-R-113)

*(This project falls within the umbrella agreement with Sound Transit discussed with Council on 3/19/01.)*

- (g) Resolution No. 6526 authorizing execution of Amendment 2 to the Consultant Agreement with Tt/Construction Management & Inspection, Inc. in the amount of \$80,000 to provide professional services for the inspection of the City's right-of-way affected by the installation of telecommunications facilities.  
*(The amount is fully funded through funds deposited by 360 Networks, the telecommunications firm installing fiber optic trunk line system.)*
- (h) Resolution No. 6527 authorizing execution of a consultant agreement with Measurement Research Corporation in the amount of \$133,725 to provide engineering services for the 2001 pavement condition evaluation survey and wheelchair ramp inventory. (CIP Project Nos. PW-M-1 and PW-W/B-49)
- (j) West Lake Sammamish annexation-related services
  - (1) Ordinance No. 5288 providing for "No Parking Anytime" on the west side of West Lake Sammamish Parkway SE in the West Lake Sammamish annexation area.
  - (2) Ordinance No. 5289 providing for an update to the restrictions to truck traffic on West Lake Sammamish Parkway SE, amending Ordinance No. 4652 and Section 11.70.062 of the Bellevue City Code.
  - (3) Ordinance No. 5290 relating to speed limits; amending Section 1 of Ordinance No. 5283 and Chapter 11.32.020 of the Bellevue City Code; and amending Section 3 of Ordinance No. 4239 as last amended by Section 2 of Ordinance No. 5283 and Chapter 11.32.022 of the Bellevue City Code; due to the West Lake Sammamish annexation to reflect same speed limits in effect at time of annexation.
- (k) Motion to award Bid No. 0104 for relocation of the power supply to the Newport lift station power feeder (sewer pump station) in the amount of \$122,555.10 to Omega Contractors, Inc. as low bidder. (CIP Project No. S-16)
- (l) Motion to award Bid No. 0107 for replacement of concrete cylinder pipes on NE 8<sup>th</sup> Street (16100-16400 block) as a seismic upgrade in the amount of \$485,504.99 to Mid-Mountain Contractors, Inc. as low bidder. (CIP Project Nos. W-85 and W-69)

9. Public Hearings

- (a) Public hearing to obtain citizen input on the Lake Hills Shopping Center renovation

Ellen Miller-Wolfe, Economic Development Program Manager, provided a staff report on the proposed renovation of Lake Hills Shopping Center by the property owner. She acknowledged

the participation of members of tonight's audience in previous community meetings. There were a minimum of 100 citizens at each of the three public involvement sessions to discuss project alternatives. Ms. Miller-Wolfe thanked Rich Wagner, Baylis Architects, for his technical assistance throughout the design study.

Ms. Miller-Wolfe said residents initially began to express concern about the decline of neighborhood shopping centers at City Council and Neighborhood Network meetings. Residents are particularly concerned about retaining a grocery store at Lake Hills Shopping Center. Consequently, Council identified the enhancement of neighborhood shopping centers as a priority. Staff then initiated a partnership approach with the owner of the shopping center to look at ways to maintain desired neighborhood services while providing a reasonable return on investment for the owner.

Ms. Miller-Wolfe described the Preferred Alternative, also referred to as the "least objectionable" option. This alternative combines elements required by both the owner and residents. The option is consistent with the Comprehensive Plan and Council's priority to preserve mixed-used neighborhood services and thereby strengthen neighborhoods. The Preferred Alternative represents 157,000 square feet, which doubles the size of the existing center. This includes a larger grocery/drugstore, a bank, offices, shops, and a branch library and/or other community use. King County is interested in relocating the Lake Hills branch library to this site. The proposed college use is not included in the Preferred Alternative due to residents' objections about the traffic to be generated by this use. The plan incorporates existing buildings on the west and north sides and adds a two-story building (up to 35 feet high) that would include a grocery store and offices with underground parking.

Mayor Mosher read the rules and procedures for the public hearing. Any person wishing to testify may do so for a maximum of three minutes, or five minute if representing the official position of a recognized community organization.

- ➡ Mr. Degginger moved to open the public hearing, and Dr. Davidson seconded the motion.
- ➡ The motion to open the public hearing carried by a vote of 6-0.

The following citizens came forward to comment on the proposal:

- (1) Pam Asheim said her backyard is adjacent to the shopping center. She is concerned about the noise of delivery trucks (which will be required to back up rather than drive through the center under the Preferred Alternative), the height of the two-story building, and the reduced buffer between the center and adjacent homes.
- (2) Dennis Asheim spoke for his mother, Mary Asheim, who lives behind the shopping center. He is concerned about her safety and the security of her property. His mother currently accesses the center through a back gate, which will not be preserved with redevelopment of the center. Mr. Asheim is concerned about the height of the two-story building. He welcomes enhancements to the center but is concerned about his mother's security.

- (3) John Hogan expressed concern about increased traffic congestion that could be generated by expansion of the shopping center.
- (4) Bob Bengford said he is excited about many aspects of the Preferred Alternative, particularly plans to intensify retail uses and potentially provide a branch library. As a city planner, Mr. Bengford likes the proposed design in terms of how it relates to the street, the use of landscaping and underground parking, and the addition of pedestrian plaza spaces. He is disappointed that the housing element has been eliminated from this proposal because he feels it would bring increased safety and vitality to the center. Mr. Bengford supports a variation of this alternative that would provide housing units.
- (5) Jane Paige is pleased that the community college element of this proposal has been eliminated. She appreciates the City's efforts to preserve a neighborhood shopping center, but she feels the scale and scope of the proposed project is too intense for such a center. She is concerned about traffic impacts, building height, and the feasibility of underground parking given the wetlands and springs in the surrounding area.
- (6) Mark Jackson spoke on behalf of Lake Hills Investment LLC, owners of the shopping center. He said the QFC grocery store cannot continue to survive with its limited square footage. He explained that it is more profitable for the owners to lease to office, non-traditional retail, and discounted retail uses. Office uses pay higher rents and subsidize both retail and community uses. Residential units would subsidize and share the use of the parking structure, as well as provide needed support to retail uses. Mr. Jackson said a blend of retail, office, community, and residential uses creates the best possible chance for the successful revitalization of Lake Hills Shopping Center.
- (7) Roger Anderson lives on the east side of Phantom Lake and uses the City's trail system to access Lake Hills Shopping Center. As a participant in previous community meetings, he praised the public involvement process and expressed support for the Preferred Alternative.
- (8) Tom Moloney spoke in favor of the Preferred Alternative, which he feels will help provide a sense of community identity. He thanked Council and staff for their work.
- (9) Claudia Coles said she and her husband, Bill, support revitalization of the shopping center according to the Preferred Alternative plan.
- (10) Renay Bennett thanked Council for its proactive approach to this project. She expressed concern that the City has contributed \$10,000 to this effort and that City staff has suggested exempting neighborhood retail uses from the Traffic Standards Code. Ms. Bennett urged the Council to protect neighborhoods.
- (11) Tim O'Kane spoke on behalf of the real estate firm, Kidder Mathews and Segner, which is working to identify new tenants for the revitalized shopping center. He said the QFC grocery store is not expected to survive at its present size beyond the current lease. He encouraged the City to use this project as a catalyst for redeveloping other properties within Bellevue.

- (12) Chris Arundell feels the proposed redevelopment is reasonable, but he is concerned about increased traffic. He is not in favor of residential units at the site.
- (13) Claudia Balducci thanked Council and staff for the opportunity to participate in this project and expressed support of the Preferred Alternative. She feels increased traffic will be local rather than regional, which she anticipates will not affect the neighborhood's quality of life. She is concerned that current tenants will not be able to continue to afford to stay in the center. She noted the center previously lost a video store, drugstore, and dance studio.
- (14) Sonya Gaertner said she has watched the vitality of the shopping center decline in the past 15 years. She is in favor of the proposed project and feels it is important for the neighborhood.
- (15) Brian Nelson, Kidder Mathews and Segner, said QFC needs to expand in order to survive at the Lake Hills Shopping Center location. He noted that smaller shops need the grocery store in order to remain viable as well.
- (16) Faye Williamson praised the public process for this project and emphasized the importance of retaining neighborhood services. She noted the area was one of the country's first planned developments and she feels redevelopment of the center will revitalize the neighborhood. She lives two blocks from the center and is not concerned about traffic impacts.
- (17) James Eder lives approximately 100 yards west of the shopping center. He objects to plans to locate a branch library at the center and expressed concern about a creek under the west border of the center. He is a 40-year resident and wants the center to continue to enhance the neighborhood.
- (18) Hannelore Mueller expressed support and excitement for the Preferred Alternative. She is not concerned the plan will bring in increased traffic, and she would like to see a library and condominiums. She thanked the City, Cosmos Development, and Ellen Miller-Wolfe for involving residents in the process.
- (19) Lynne Rosenthal owns a deli in the shopping center and looks forward to revitalization of the center. She loves the idea of condos and the library and praised the loyal community support for the center's businesses. She said the center needs to be renovated to keep up with residents who have updated their homes in the surrounding neighborhood.
- (20) Ruby Parrott supports redevelopment of the center because it provides needed services to the neighborhood. She said elimination of these businesses would make shopping particularly hard for elderly residents who would have to travel outside of the area.
- (21) Sonja Rossman patronizes businesses in the center on a daily basis and wants to preserve these services. She spoke to the importance of meeting the needs of both longtime, elderly residents and new, younger residents. She reminded Council to consider zoning laws and the impacts to neighbors living on the west side of the shopping center.

- (22) Oscar Del Moro, Cosmos Development, thanked residents for their participation. He acknowledged that this is the beginning of a process and that Cosmos will need to address environmental, zoning, and traffic issues. He expressed a commitment to be innovative, flexible, and hard working on this project and asked Council, staff, and the community to do the same.
- (23) Christopher Wright, a city planner for a neighboring jurisdiction, commended City staff and Cosmos Development for their progressive approach to redeveloping a shopping center. He encouraged care in designing the project so that the scale does not overwhelm adjacent properties. He noted that underground parking is extremely expensive and demonstrates the developer's commitment to providing a high-quality project. He encouraged residents to not focus too much on traffic impacts. He feels the positive aspects of the project greatly outweigh any potential negative effects.
- (24) Pamela Toelle does not see a decline in the shopping center, which she said is the same as it has always been. She said the scale of the redevelopment project is not consistent with the area or the intent of a neighborhood business center. She said the Comprehensive Plan and Southeast Bellevue Subarea Plan address protecting neighborhoods from the impacts of non-residential uses. She feels 45,000 square feet is too large for a neighborhood grocery store. Ms. Toelle noted the concomitant agreement for the property's zoning restricts building height to 20 feet and total size to 30,000 square feet.
- (25) Karen Pennywell spoke in favor of the proposed project and plans for a larger grocery store. She communicated residents' concerns regarding personal safety in the parking structure. She hopes current tenants will not be driven out by high rents.
- (26) Rex Robinson questioned what would happen to the proposed plan if underground parking is not used. He is concerned about the stream under the west end of the property, the location of the water table, and hydrostatic water pressure problems in the area that lead to flooded basements.
- (27) Susan Gardner said she is proud to be a 17-year resident of Lake Hills, a multicultural neighborhood. She is excited about plans to renovate the center and to add a library and public gathering places. She asked supporters of the project in the audience to show their support by standing.
- (28) Diana Kipper lives one block south of the shopping center and is excited about the redevelopment plans. She asked the City to make the sidewalks on Lake Hills Boulevard wider and smoother. She is concerned about traffic to be generated by the project.
- (29) Wen Tseng is concerned that the Preferred Alternative does not address potential impacts to the homes near the southwest corner of the center, where his house is located. The plan includes a loading dock that faces his backyard. Mr. Tseng is concerned about noise, the privacy and security of his home, and traffic.
- (30) Mark Wolf, co-owner of Kelsey Creek Center, discussed his prior reluctance to redevelop that center due to fears about the East Bellevue Community Council and neighbors. He praised the City's Planning Director and staff for their handling of the Lake Hills



Shopping Center project and said he is impressed with the testimony heard tonight. He encouraged the owners of Lake Hills Shopping Center to retain existing tenants.

- (31) Rich Wagner, Baylis Architects, noted his role as technical advisor for the Lake Hills project. He thanked residents for their civility at all of the public meetings. Mr. Wagner explained that the Preferred Alternative, and all alternatives considered, were developed as conceptual plans. This is necessary in order to gain a sense of the chances for approval prior to developing a master site plan. Mr. Wagner acknowledged the grade change and presence of water on the site. He said issues regarding building height, buffers, and truck traffic still need to be refined. He noted that approximately 60 percent of the total parking provided is proposed to be underground, with the assumption that half of that parking will be used by employees of the center.
  - (32) Jim Hargett asked the City to address light pollution at the Lake Hills Shopping Center site. He feels the lighting at Kelsey Creek Center is too bright.
  - (33) Jenny Lund would like the City to repair and/or install new sidewalks in the Lake Hills area. She feels confident that the planners, engineers, and architects for the shopping center project are capable of addressing potential problems including drainage, traffic, lighting, and security. She is in favor of the Preferred Alternative and pleased with the public process.
  - (34) Scott Leonard supports plans to redevelop the shopping center and add a branch library. He thanked East Bellevue Community Council for its work on this project. He is concerned about traffic and suggested the project be designed to direct traffic to 156<sup>th</sup> Avenue and other arterials.
- ➡ Mr. Degginger moved to close the public hearing, and Mrs. Marshall seconded the motion.
  - ➡ The motion to close the public hearing carried by a vote of 6-0.
  - ➡ Mr. Lee moved to extend the meeting to 10:30 p.m., and Mr. Degginger seconded the motion.
  - ➡ The motion to extend the meeting carried by a vote of 6-0.

At 9:52 p.m., Mayor Mosher announced a 10-minute break. The meeting resumed at 10:02 p.m.

In response to Mr. Lee, Ms. Miller-Wolfe said the site is zoned for Community Business (CB) with a concomitant agreement restricting building height and total square footage. In further response Ms. Miller-Wolfe said if the Preferred Alternative is not implemented, the owner anticipates that some businesses, including the anchor grocery store, would choose to move elsewhere. One option presented by the owner is to convert the center to small offices, which would be allowed under the concomitant agreement. Ms. Miller-Wolfe said the Preferred Alternative is expected to nearly double current traffic to the center. Conversion to small offices would result in fewer trips to the site than the Preferred Alternative.

Deputy Mayor Marshall thanked the audience for their civility and comments. She thanked Ms. Miller-Wolfe, Rich Wagner, and Cosmos Development for working so well with the community. Responding to Mrs. Marshall, Ms. Miller-Wolfe said an amendment to the concomitant agreement to allow additional square footage could specify that it applies only to the siting of a grocery store at the center. In response to concerns about truck/delivery traffic to the site, Planning and Community Development Director Matt Terry described technology available to buffer the noise of loading and unloading activities. He agrees with Mr. Wagner that this element of the plan needs additional study to address noise impacts.

Mr. Degginger praised staff and the community for their contributions to this process. He feels the community's concerns can and will be addressed as the developer proceeds beyond a conceptual plan. He acknowledged the problem of cut-through traffic between Redmond and I-90 and encouraged residents to not let this concern inhibit redevelopment of the shopping center. He understands the need to keep the project in scale with the surrounding community. Mr. Degginger agreed with Mrs. Marshall's suggestion regarding the allocation of additional square footage for a grocery store only.

Mr. Creighton is pleased with the involvement of the community, the developers, and staff. He is in favor of proceeding with the Preferred Alternative. He noted the broader problem of pass-through traffic on 156<sup>th</sup> Avenue should be addressed separately from this project.

Dr. Davidson was on the Council when redevelopment of the center was proposed in 1987. He thanked staff and residents for making this a much more pleasant and constructive process. He supports moving forward with the Preferred Alternative.

In response to Mayor Mosher, Mr. Terry explained that the maximum building height allowed for single-family residences is 30 feet, compared to the proposed height of 35 feet for a portion of the redevelopment project. Mr. Mosher said additional traffic analysis is needed, although he feels the center will attract local rather than regional trips.

- ➡ Mrs. Marshall moved to support the direction of the Preferred Alternative for the Lake Hills Shopping Center, and Mr. Creighton seconded the motion.

Mr. Lee supports the motion and feels the positive aspects of the proposal outweigh any potential negative impacts. He questioned what would happen if further analysis determines that the underground parking and/or larger grocery store are not viable elements. He feels the project provides an opportunity to enhance pedestrian facilities in the area.

- ➡ At 10:29 p.m., Mrs. Marshall moved to extend the meeting to 11:00 p.m., and Mr. Lee seconded the motion.
- ➡ The motion to extend the meeting carried by a vote of 6-0.

Mr. Lee requested further details on the proposed exemption of specific neighborhood retail uses from the Traffic Standards Code.

- ➡ The motion to support the direction of the Preferred Alternative for the Lake Hills Shopping Center carried by a vote of 6-0.

10. Land Use: None.

11. Other Ordinances, Resolutions and Motions

- (a) Ordinance No. 5291 regarding the Bellevue Convention Center (Meydenbauer Center); and authorizing execution of the first amendment to the Amended and Restated Option in Lieu of Condemnation between the City of Bellevue and S/I Northcreek V LLC.

Planning and Community Development Director Matt Terry explained that finding a hotel operator is the first and most important step in successfully accomplishing the objectives of the Option Agreement for the expansion of Meydenbauer Center. Staff recommends an extension of nine months to allow S/I Northcreek V LLC (Schnitzer) more time to file an Administrative Design Review (ADR) application for construction of a project that must include a hotel.

Mrs. Marshall feels the requested amendment is consistent with Council's priorities to develop a headquarter hotel adjacent to the convention center and to accelerate the expansion project.

➡ Mrs. Marshall moved to adopt Ordinance No. 5291, and Mr. Lee seconded the motion.

Mr. Lee, Council liaison to the Bellevue Convention Center Authority, spoke in favor of the motion.

➡ The motion to adopt Ordinance No. 5291 carried by a vote of 6-0.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New business: None.

15. Executive Session: None.

16. Adjournment

At 10:34 p.m., Mayor Mosher declared the meeting adjourned.

Myrna L. Basich  
City Clerk

kaw